

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**ADMINISTRATIVE RULE
FISCAL IMPACT STATEMENT**

PROPOSED RULE: 96-190

DATE RECEIVED: Sep 20 96

STATE AGENCY: Department of Environmental Management

DATE PREPARED: Oct 22 96

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Digest of Proposed Rule: This proposed rule adds 329 IAC 13 for the purpose of adopting federal standards for used oil management, except for the use of used oil as a dust suppressant and the mixing of used oil with characteristic hazardous waste. The standards apply only to used oils destined for recycling. This rule provides strong protection against potential mishandling of used oil and addresses potentially unsafe practices associated with improper storage of used oil and contamination of used oil with hazardous wastes.

This rule is applicable to used oil generators, collection centers, aggregation points, transporters, transfer facilities, processors, re-refiners, burners, and marketers. Requirements for used oil burners and marketers exist in the hazardous waste rules and are now being combined into one article on used oil management.

Adoption of the federal standards is necessary for the Indiana Department of Environmental Management (IDEM) to maintain authorization for Indiana's hazardous waste program.

Governmental Entities:

State: This proposed rule does not impose any new requirements on IDEM. There is no state fiscal impact and there are no unfunded mandates placed upon any state agency by this proposed rule.

Local: According to IDEM, it is not known whether any of the regulated facilities are local governmental entities, although there may be a few. The cost to these local governmental entities is included in the \$80,000 to \$220,000 range given for regulated entities below.

Regulated Entities: The regulated entities affected by this rule include the following: used oil generators, collection centers, aggregation points, transporters, transfer facilities, processors, re-refiners, burners, and marketers.

The U.S. Environmental Protection Agency, in its regulatory impact analysis of the universal rule (September 10, 1992; 57 FR 41607), stated that "...the agency estimates that these management standards will most likely impose nationwide annualized compliance costs of less than \$10 million per year, within a range of between \$4 million and \$11 million." If Indiana's economy is considered to be 2% of the national economy, the total annual cost of this proposed rule to the state's regulated entities would range from \$80,000 to \$220,000.

Information Sources: David Wersan, Department of Environmental Management, 232-3210; Chris Pedersen, Department of Environmental Management, 232-8922; *Statistical Abstract of the United States*, 1995, Table 703.